

State J. Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

August 1, 2007

Christy Woodward Denison Mines (USA) Corp. 1050 17th Street, Suite 950 Denver, Colorado 80265

Subject: Review of Vent Hole Amendment, Denison Mines, Pandora Mine, M0370012, Task 1821, San Juan County, Utah

Dear Ms. Woodward:

The Division has reviewed the referenced amendment and has the following comments that need to be addressed before the amendment can be approved:

- 1. **Topsoil.** In the second paragraph under the "Reclamation" heading, the amendment says no topsoil salvage or storage will be required at the vent holes. Rule R647-4-107.5 requires that suitable soil material be removed and stored in a stable condition where practical so as to be available for reclamation. Please modify the plan accordingly.
- 2. **Seed mix.** The plan says a salt desert shrub seed mix will be used, but the area does not support a salt desert shrub community. Please include a seed mix appropriate for the area. The Forest Service may have recommendations or requirements for the mix.
- 3. **Bond.** Please make the following modifications or clarifications to the bond calculations:
 - a. Please include a cost for the steel plates. If the Forest Service requires that the shafts be backfilled, the surety estimate will need to include a cost for this activity.
 - b. It does not appear the cleanup and removal costs were included.
 - c. Please add contingency (10 percent), management (10 percent), and escalation (3.2 percent/year for three years to correspond with the existing bond).

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If you have questions about these requirements, please contact me at 801-538-5258 or Paul Baker at 801-538-5261.

Sincerely,

Susan M. White

Mining Program Coordinator Minerals Regulatory Program

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SMW:PBB:pb

c: Joel Nowak, Manti-La Sal National Forest

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